

**Economics (S4 - S6) Curriculum Framework of National Security Education****1. General teaching foci**

- 1.1. Topics of “Money and Banking” and “International Trade and Finance” in the Economics curriculum include learning content related to economic security (such as maintaining the stability of the monetary and banking systems, and the types of trade barriers).
- 1.2. With the aid of relevant authentic examples (e.g., the attack on Hong Kong’s Linked Exchange Rate System during the Asian financial crisis, and the China-US trade conflict), students will realise the risks to economic security caused by events inducing instability in the monetary and banking systems or by trade conflicts between China and other places through studying the functions and services of banks (including the role of the Hong Kong Monetary Authority (HKMA) in regulating deposit-taking institutions), as well as learning about Hong Kong’s Linked Exchange Rate System and the types of trade barriers. They will understand the negative impact on the overall economy of our country and Hong Kong due to the chain reaction of such events, and in turn the importance of safeguarding economic security.
- 1.3. Through studying relevant topics in the Economics curriculum, students will recognise the importance of safeguarding economic security to economic development, national interest and people’s livelihood of our country. They will recognise that Hong Kong and the Mainland are interdependent, and our country has attached importance and provided support to maintaining Hong Kong’s prosperity and stability. Hong Kong is also responsible for safeguarding the economic security of our country.

## 2. Learning foci

Economics (S4 - S6)		Curriculum Framework of National Security Education in Hong Kong	
Chapter / Topic	Learning Elements	Strand	Learning Elements
<b>H. Money and Banking</b>	<ul style="list-style-type: none"> <li>Understand how central banking functions are performed in Hong Kong               <ul style="list-style-type: none"> <li>Teachers can explain how the HKMA regulates deposit-taking institutions (such as requiring banks to have adequate capital and liquidity), in order to prevent any shocks that threaten the stability of the banking system (e.g., bank runs caused by rumours that lead to instability in the banking system, and the serious negative impact on overall consumption, investment and the real economy caused by its chain reaction). Accordingly, students will understand the important role of the Government and supervisory authorities in safeguarding economic security, as well as the importance of the stability in the banking and monetary systems in safeguarding economic security.</li> </ul> </li> </ul>	7	<ul style="list-style-type: none"> <li>Explore topics related to economic security (e.g. economic crises, trade disputes) and recognise the importance of safeguarding economic security</li> </ul>
<b>J. International Trade and Finance</b>	<ul style="list-style-type: none"> <li>Recognise the types of trade barriers               <ul style="list-style-type: none"> <li>Teachers can introduce the economic impact of different trade barriers. (For instance, teachers can use the China-US trade conflict<sup>1</sup> as an example, so that students can understand the inseparable and interdependent relationship between the Mainland's and Hong Kong's economies, as well as Hong Kong's role as a window and a bridge in</li> </ul> </li> </ul>	7	<ul style="list-style-type: none"> <li>Explore topics related to economic security (e.g. economic crises, trade disputes) and recognise the importance of safeguarding economic security</li> </ul>
		1	<ul style="list-style-type: none"> <li>Explore contemporary issues related to national security (e.g. territorial disputes,</li> </ul>

<sup>1</sup> As the China-US trade conflict is still developing, teachers should provide appropriate explanations to students based on the latest developments. They should also guide students to study related topics with an evidence-based attitude and open-minded thinking.

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	<p>trade between China and the United States. Students will then realise that the United States' imposition of trade barriers for exports or imports of the Mainland or revocation of Hong Kong's preferential trade status may cause serious damage to certain industries in the Mainland and Hong Kong, and even the overall national economy, thus affecting our country's stable development.) Accordingly, students will learn about the impact of trade conflicts on the economies of Hong Kong and our country, and they should understand the importance of safeguarding economic security to ensuring economic development.</p> <p>➤ Teachers can divide students into groups to collect news reports and economic data about the China-US trade conflict. And then students will discuss and summarise the impact of trade conflict on related industries and the overall economy, and as a threat to our country's economic development. Accordingly, they should understand the importance of safeguarding economic security. They may further explore measures taken by our country to safeguard economic security in recent years (e.g., strengthening international cooperation, and enhancing the country's economic competitiveness through innovative economic development).</p>		<p>economic crises), and recognise the importance of safeguarding national security to guarantee the security of the people</p>

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	<ul style="list-style-type: none"> <li>• Understand Hong Kong's Linked Exchange Rate System               <ul style="list-style-type: none"> <li>➤ Teachers can explain Hong Kong's Linked Exchange Rate System and the market fluctuations experienced over the years. (For instance, teachers can use the Asian financial crisis as an example to explain the impact of financial crisis on Hong Kong's financial market, and how the HKMA eventually fought off the international financial speculators and successfully defended the Linked Exchange Rate System, allowing Hong Kong to survive a severe financial crisis. By comparison, the financial systems and economies of some Asian countries were severely hit, resulting in a serious economic recession.) Accordingly, students will understand how Hong Kong responds to the impact of external financial risks and why the Government needs to maintain relatively ample reserves in order to maintain the confidence of the public and the market. They should also understand that monetary stability is closely linked to the investment market and the real economy, that safeguarding economic security is very important, and that the Government plays an important role in that regard.</li> <li>➤ Ask students to conduct project learning on the topic of "Asian financial crisis", so that they can learn about how Hong Kong and other Asian regions were affected because their financial systems were</li> </ul> </li> </ul>		

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	<p>impacted, resulting in economic recession and livelihood hardship. As a result, they should understand the importance for the Government to safeguard economic security, the importance attached and the support provided by our country to safeguarding Hong Kong's prosperity and stability during the episode, as well as Hong Kong's financial security measures.</p>		

### 3. Suggested learning and teaching activities (examples)

#### ✧ **Project learning**

- ◆ **【Link to Topic H “Money and Banking” and Topic J “International Trade and Finance”】** Teachers can base on the curriculum to design relevant project learning assignments (e.g., the Asian financial crisis) for students’ self-directed learning, so that they will learn about the negative impact of events that bring economic security risks on the overall society and economy, and understand the importance of safeguarding economic security.

#### ✧ **Mainland study activities**

- ◆ Arrange Mainland exchange activities for students, such as visits to the Guangdong-Hong Kong-Macao Greater Bay Area and to innovative technology companies, so that they can get to know and understand how our country encourages innovative economic development to enhance its economic competitiveness. Then they should understand how our country strives to maintain stable development in order to safeguard economic security. Besides, students can learn about how Hong Kong enhances its own research and development capabilities, creates a flourishing environment for science and technology, and attracts domestic and foreign talents, high-tech companies and key technologies, so as to complement our country’s emphasis on innovation and technological self-reliance during the National 14<sup>th</sup> Five-Year Plan period.

#### ✧ **Cross-curricular collaboration**

- ◆ Collaborate with the panel of Business, Accounting and Financial Studies on initiatives for students to explore the economic progress, business development and social changes of Hong Kong and the Mainland over the past two decades, and to learn about how our country responds to external economic shocks to safeguard economic security.

#### ✧ **Visit to the local financial regulatory body**

- ◆ **【Link to Topic H “Money and Banking” and Topic J “International Trade and Finance”】** Arrange for students to visit the HKMA Information Centre. And then ask them to conduct project learning to collect information about important regulatory measures adopted by the HKMA to ensure the sound and effective operation of banks and to prevent shocks to the banking system. As a result, students will have a better understanding of the work of the HKMA, as well as the monetary policy and banking industry in Hong Kong. Then they will realise that the banking system is a critical pillar for the smooth operation of social and economic activities. They will also recognise the significance of stable monetary and banking systems in ensuring economic security.

✧ **Online and self-directed learning activities**

- ◆ Design appropriate self-learning activities that are in line with the curriculum aims and objectives. (For example, guide students to visit the websites of financial regulatory bodies in China, the United States and other countries, and to gather basic information on financial regulatory measures, so that they can learn about the importance that China and other countries place on economic stability.) Accordingly, students should understand that safeguarding economic security is critical for every country or region.